

## DEPARTMENT OF FINANCE BILL ANALYSIS

**AMENDMENT DATE:** 07/02/2012  
**POSITION:** Neutral

**BILL NUMBER:** SB 122  
**AUTHOR:** Price, Curren D.

### **BILL SUMMARY: Nursing**

This bill would make changes to the requirements for initial or continuing approval of a school of nursing by the Board of Registered Nursing (BRN). This measure also would specify the BRN's authority related to the treatment of nursing schools that have not obtained approval from the BRN. Additionally, this bill adds to the educational requirements in order to become certified as a massage therapist.

### **FISCAL SUMMARY**

The BRN indicates that the workload in this bill associated with approving nursing schools is absorbable from within existing resources. The BRN is currently responsible for the approval of all nursing programs, so this bill will not result in the BRN being responsible to approve any additional programs. The BRN currently has a backlog in their nursing school approval program. As of June 2011, the BRN has stopped accepting applications for new programs until it can reduce its backlog. The BRN currently does not charge a fee to approve, renew, or change the status of nursing schools. Currently, these costs are paid out of nursing licensing fees. This bill would impose a \$25,000 application fee, a \$3,500 renewal fee, and a \$500 processing fee for substantial changes. The BRN estimates that this bill would result in \$100,000 in revenue annually.

This bill could result in additional costs related to the issuing of cease and desist orders as authorized by this bill.

### **COMMENTS**

The Department of Finance is neutral on this bill because it clarifies and cleans up statute related to the approval of nursing education programs as it relates to the California Private Postsecondary Education Act of 2009 (Act). This bill authorizes the BRN to charge a fee to cover the costs associated with the approval and renewal process. The policy of charging a fee to the schools being approved appears reasonable. Currently, the BRN performs the workload with revenues associated with registered nursing license fees. This bill would charge the cost of the approval to the institutions that are directly benefiting from the service. Additionally, this bill would further protect consumers by increasing the licensure requirements for massage therapists and increasing the discipline and enforcement authority of the California Massage Therapy Council (Council).

Current law:

- Defines the term, "approved school of nursing" and requires the BRN to approve and regulate nursing schools that are institutions of higher education or are affiliated with institutions of higher education.
- Requires nursing schools not affiliated with an institution of higher education to make an agreement with such an institution for the purpose of awarding nursing degrees.

Analyst/Principal (0221) J.Carosone	Date	Program Budget Manager Lisa Ann Mangat	Date
Department Deputy Director		Date	
Governor's Office:	By:	Date:	Position Approved _____ Position Disapproved _____
BILL ANALYSIS			Form DF-43 (Rev 03/95 Buff)

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**COMMENTS** (continued)

- Provides that it is unlawful for anyone to conduct a school of nursing unless the school has been approved by the BRN.
- Requires either 500 hours of specified education or passing the massage and bodywork competency assessment examination to be certified as a massage therapist.

With regards to the BRN, this bill would:

- Require quarterly meetings of the BRN to be held in northern and southern California.
- Delete provisions requiring unaffiliated nursing schools to make an agreement with an institution of higher education and instead require unaffiliated schools of nursing to obtain BRN approval to grant nursing degrees.
- Authorize the BRN to approve a private postsecondary school approved by the Bureau of Private Postsecondary Education (Bureau) to grant a baccalaureate degree in nursing.
- Require the BRN and the Bureau to have a memorandum of understanding to delineate the powers of the BRN to review and approve schools of nursing in private postsecondary schools approved by the Bureau and the powers of the Bureau to protect the interests of students attending those schools.
- Establish new fees, for approval or renewal, for all schools of nursing, for deposit into the BRN Fund.
- Authorize the BRN to issue cease and desist orders to a school of nursing that is not approved by the BRN and require the BRN to notify the office of the Attorney General of such a school.

This bill would clarify existing law related to the approval of nursing programs and schools and to conform it to the Act which reinstituted the Bureau. Currently, private postsecondary institutions that are not authorized to issue associate degrees must make an agreement with an institution of higher education in order for the BRN to approve the program. The Act authorized the Bureau to regulate these same private postsecondary schools. This bill would allow the BRN to approve the nursing programs of Bureau regulated schools without requiring these schools to enter into an agreement with an institution of higher education. This bill would require the BRN and the Bureau to enter into an agreement to specify the power and duties related to approval and oversight of these programs. This bill would allow the BRN to charge a fee in order to approve or renew approval for nursing programs. The BRN currently does not charge a fee for this service. This would result in the cost associated with approving a nursing program being funded by the institutions that are directly benefiting from this service. This bill would authorize the BRN to issue cease and desist orders to a school of nursing that is not approved by the BRN. This should help protect those seeking an education to become a Registered Nurse.

With regards to the Council, this bill would:

- Revise the massage and bodywork competency assessment examination path for certification as massage therapist to include 250 hours of education.
- Require certificates and identification cards issued by the Council to be surrendered if the holder's certification has been suspended by the Council.
- Allow the Council to suspend a certification if it is presented with clear and convincing evidence that the certificate holder has committed an act punishable as a sexually-related crime or felony.
- Allow for the appeal of the suspension of certification.

## AUTHOR

**AMENDMENT DATE**

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**COMMENTS** (continued)

- Authorize law enforcement or local government agencies responsible for regulating massage or massage businesses to provide specified information to the Council.
- Authorize the Council to deny an application or discipline a certificate holder for specified violations.
- Require a certificate holder to have an identification card on his or her person while providing massage services and to provide specified information upon request to the Council or law enforcement agencies while at the location where he or she provides massage services.
- Specify that business license fees charged to massage businesses cannot exceed the lowest fee charged to other individuals or businesses providing professional services.
- Make certified massage businesses responsible for the actions of all employees or independent contractors working on the premises of the business.

This bill would provide the Council and local law enforcement agencies with additional authority to provide oversight of individuals and businesses providing massage therapy services. This increased authority includes, allowing the Council to deny applications for licensure to applicants who commit acts punishable as a sexually-related crime, require a licensee to keep an identification card on his or her person while providing services, make massage businesses responsible for the actions of its employees, and require licensees to surrender their Council-issued identification card if their license has been suspended or revoked. These provisions should help protect consumers by ensuring the Council and local law enforcement entities have the appropriate authority to discipline licensed massage therapists.

	SO	(Fiscal Impact by Fiscal Year)							
Code/Department	LA	(Dollars in Thousands)							
Agency or Revenue	CO	PROP					Fund		
Type	RV	98	FC	2012-2013	FC	2013-2014	FC	2014-2015	Code
1110/ConAfr-ReqBd	SO	No		----- See Fiscal Summary -----					0761
1257/Othr Reg Lic	RV	No	U	--	U	50	U	100	0761
<u>Fund Code</u>	<u>Title</u>								
0761	Registered Nursing Fund, Board of								